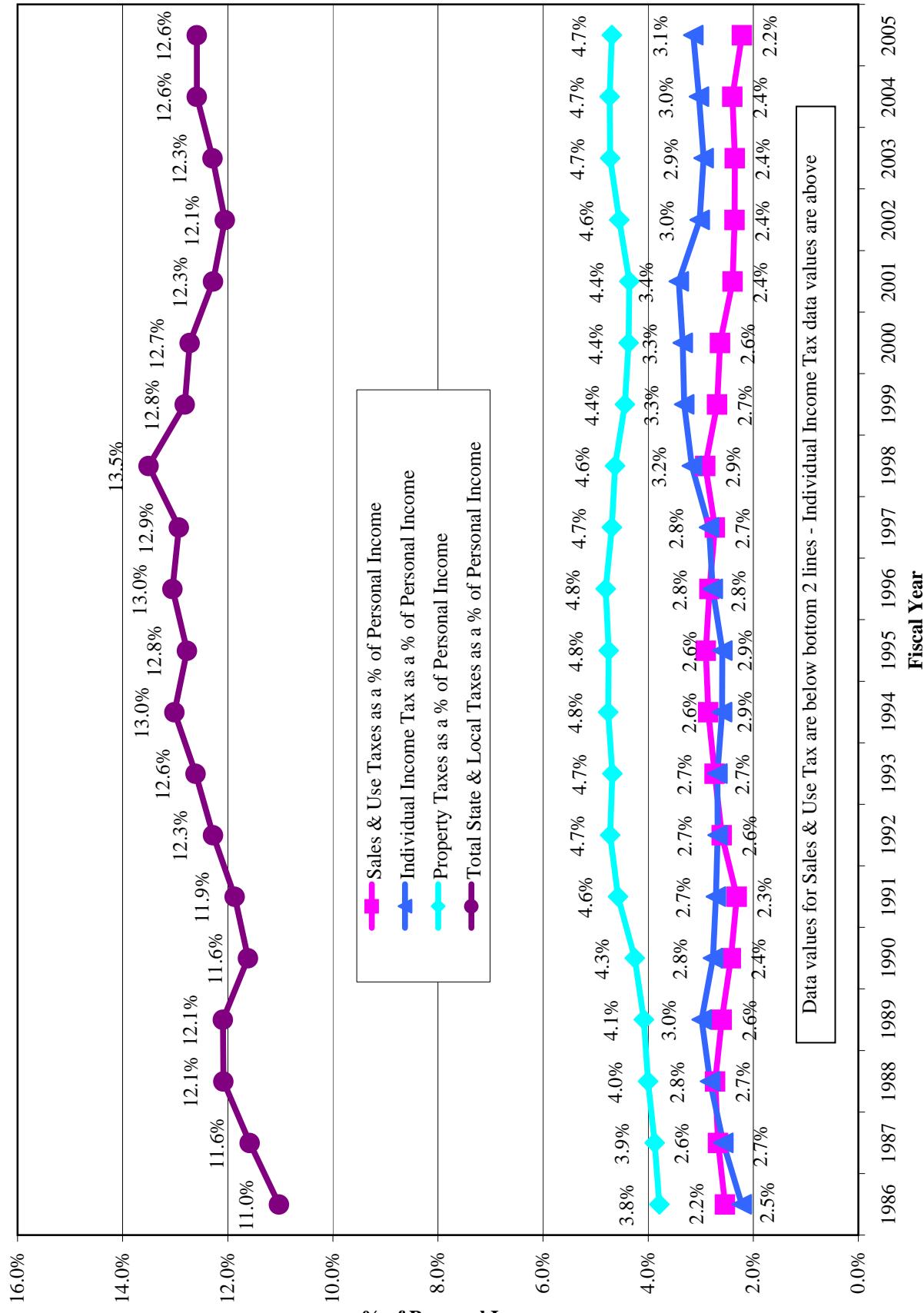


## **SECTION VI - STATE AND LOCAL TAX BURDENS**

This section provides a historical look at Maine's state and local tax burdens. For the purposes of the compendium, tax burden is portrayed by 2 very simple measures: taxes as a percent of personal income and taxes per capita. The "taxes" included in this analysis are all state and local taxes, which includes most license fees and assessments. This definition of "taxes" mirrors that used by the United States Department of Commerce, Bureau of Census. The analysis breaks out the major broad based taxes (the income taxes, the sales and use taxes and local property taxes) and groups all other taxes and various license fees and assessments into an "Other Taxes" category. These taxes are then divided by Maine's personal income and population to develop taxes as a percentage of personal income and taxes per capita amounts. Personal income and population data are from the United States Department of Commerce, Bureau of Economic Analysis and Bureau of Census and Maine's State Planning Office.

As mentioned above, this section represents very simple measures of tax burden. The Research Division of Maine Revenue Services within the Department of Administrative and Financial Services presents a much more comprehensive analysis of Maine's tax burden in its report, *Maine Tax Incidence Study: A Distributional Analysis of Maine's State and Local Taxes*. The report is updated biennially as required by M.R.S.A. 36 §200.

**Graph VI-1 State and Local Taxes - % of Personal Income**



## Graph VI-2 State and Local Taxes Per Capita

